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## **Sen. McManus concerned over Auditor General's report on Treasury**

**Lansing** – Sen. Michelle McManus, R-Lake Leelanau, is concerned about the failure of the state Treasury Department to collect nearly \$120 million in taxes already owed the state for the period of October 2000 through February 2003.

The report shows the failure of the Treasury's Bureau of Local Government Services to properly record, account for, and audit the local treasurers whose job it is to remit taxes to the state.

"With the governor's budget proposal before the Senate Appropriations Committee, we need to carefully review the findings in the Auditor General's report," McManus said.

The governor's proposed budget represents increases in adjusted gross, state spending, and the general fund. The adjusted gross budget proposal for 2005 has a 1.7-percent, or \$648.3 million, increase over last year's budget. State spending also is up 1.7 percent, or \$445.4 million, more than last year. The General Fund is \$210.3 million for 2005, a 2.4-percent decline from the 2004 budget.

McManus, a member of the Senate Appropriations Committee, is currently working through the governor's budget proposal. She also sits on the Senate Finance Committee, which has been working on the Auditor General's report. The committee held a hearing with Treasurer Jay Rising this week to address many of the report's findings.

"I appreciate Treasurer Rising taking the time to talk to us about the report," McManus said. "I was happy to hear what actions the department is taking to address the many concerns, and I am interested in seeing what Mr. Rising can do to improve the situation."

Representatives from the Office of the Auditor General also testified before the committee. Rising and the Auditor General's office both agreed that there is still much work to be done to fully resolve the issues within the report.

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